



To: Senate Judiciary Committee
From: Laura Subin, director, Vermont Coalition to Regulate Marijuana
Re: Sample Social Equity Language

The Committee should consider adding the following language to §881. RULEMAKING; Cannabis Establishments in order to achieve greater social equity in the taxed and regulated market:

§881(a)(1)

Rules concerning any cannabis establishment shall include:

- (xx) Procedures and policies to promote and encourage full participation in the regulated marijuana industry by diverse groups, including individuals from communities that have been disproportionately harmed by marijuana prohibition, and to positively impact those communities, including:
 - (i) Conducting necessary and appropriate outreach to diverse groups that may qualify for participation in activities under this chapter;
 - (ii) Conducting a disparity study prior to the issuance of regulations and implementing any remedial measures justified by the study (the study is important to withstand constitutional scrutiny);
 - (iii) Requiring each marijuana establishment to report on the diversity of its workforce by January 1 of each year;
 - (v) Publishing an annual report summarizing the participation and utilization of diverse groups in marijuana establishments no later than April 1 of each year; and
 - (vi) Creating and promoting a program for technical assistance for equity applicants.

- (xx) A limit on the number of marijuana establishments a major investor may invest in, unless each additional applicant is an equity applicant. The department shall define an equity applicant and shall include considerations of whether the establishment would have minority ownership and whether the principals resided in communities that have been disproportionately harmed by drug prohibition and marijuana arrests for five of the last 10 years prior to the marijuana establishment's licensure.